MEMORANDUM OF UNDERSTANDING

Between

THE UNITED STATES DEPARTMENT OF ENERGY

And

THE UNITED STATES DEPARTMENT OF THE INTERIOR

For the

DEMONSTRATION OF ADVANCED SOLAR POWER TECHNOLOGY ON PUBLIC LANDS

I. INTRODUCTION

The United States Department of the Interior ("DOI"), and the United States Department of Energy ("DOE"), desire to collaborate in the development of solar energy resources as identified in this Memorandum of Understanding ("MOU").

This collaborative effort will help fulfill Presidential and Congressional directives that:

- Agencies take appropriate actions, to the extent consistent with applicable law, to
 expedite projects that will increase the production, transmission, or conservation of
 energy, Executive Order 13212, *Actions to Expedite Energy-Related Projects* (66 FR
 28357; May 18, 2001);
- Agencies encourage renewable energy projects located on public lands, Section 211 of the Energy Policy Act of 2005 (Pub. L. No. 109-58; August 8, 2005; hereinafter "EPAct 2005"); and
- DOE study the integration of solar power into electricity transmission systems and methods for reducing water consumption associated with solar power, Section 603 of the Energy Independence and Security Act of 2007 (Pub. L. 110-140; December 19, 2007; hereinafter "EISA").

The DOI and DOE (the "Participants") intend to collaborate to advance new solar energy technologies (technologies not currently in use for large-scale solar energy generation) that have the potential to lower the cost of solar power generation, increase the capability of solar power generation through energy storage or other technologies, and reduce the environmental impacts, including technologies to reduce water usage, of utility-scale solar projects. This MOU outlines actions and steps to facilitate the desired solar energy development and to assist both agencies in meeting their respective directives.

II. PURPOSE

With the signing of this MOU, the Participants express their intent to work together to identify an area, or areas of public land or withdrawn public land suitable for qualifying solar demonstration projects and to assess and make appropriate land status adjustments for the uses described to the extent authorized by law.

Within the demonstration area, the Participants will cooperate in an effort to ensure that the DOE has appropriate authority to issue land use authorizations, including permits, rights-of-way, and leases, that are consistent with the purpose of the demonstration area. The solar projects to be sited in the demonstration area are intended to facilitate increased commercialization of the technologies demonstrated by providing technical and financial validation necessary to attract conventional financing.

III. ORGANIZATION AND MISSION

- a. Pursuant to the Federal Land Policy and Management Act (FLPMA), the DOI's Bureau of Land Management (BLM) has responsibility for management of approximately 119 million surface acres in the Southwest of which 23 million acres exhibit environmental and technical potential for solar energy development. The FLPMA requires the BLM to manage the public lands for multiple uses and sustained yield for a variety of public purposes. Allowable uses of the public lands include the generation of electric energy. Section 204 of the FLPMA established a process whereby the Secretary of the Interior may withdraw public lands or modify the withdrawal of public lands for a specific use by another Federal agency. Section 211 of the EPAct 2005 and DOI Secretarial Order No. 3285 encourage the development of renewable energy resources, including solar energy, on public lands as part of an overall strategy to develop a diverse portfolio of domestic energy supplies for the future.
- b. The DOE's Office of Energy Efficiency and Renewable Energy (EERE) supports the research, development, demonstration, and deployment activities of energy efficiency and renewable energy technologies as they apply to buildings, transportation, industry, power generation, and the government sectors. Its mission is to enhance energy efficiency and production and to bring clean, reliable, and affordable energy technologies to the marketplace. The Solar Energy Technologies Program, within EERE, focuses on advancing the United States' interest in solar energy, including the use of solar technology for residential, commercial, and utility-scale applications.

IV. AGENCY RESPONSIBILITIES

a. General

The Participants will cooperate to ensure that timely decisions are made and that the responsibilities of each agency are met. Working with Federal, state, tribal, and local

governments as appropriate, affected utility industries, and other interested persons, the Participants will identify an area or areas suitable for placement of solar technology demonstration projects. The demonstration area will be located on public lands or withdrawn public lands within the southwestern United States that possess high solar insolation. The DOE intends to fund and coordinate the necessary environmental reviews, including the review and mitigation of potential environmental impacts from various solar energy technologies on the proposed demonstration area or areas. The Participants will collaborate to address technical and land management issues, as necessary, to meet the objectives of the demonstration area. The Participants will cooperate in the pursuit of a withdrawal for the demonstration area or such other land status adjustments as may be deemed appropriate. The Participants will coordinate, as necessary, in a timely fashion in the preparation of any NEPA documents that may be associated with demonstration projects at the area or areas.

b. Department of Energy

DOE's EERE will furnish a project manager to direct and facilitate all activities required to successfully implement the demonstration of advanced solar technologies in the demonstration area. Specifically, the DOE intends to:

- Lead the effort in identifying land appropriate for the demonstration area and award funding to assist site development and technology demonstration.
- Provide appropriate staff support throughout the project.
- In coordination with the BLM, ensure that the appropriate environmental reviews and any additional analyses are completed for the demonstration area.
- Provide appropriate technical staff to identify the technology to be demonstrated and provide both technical and management oversight throughout the demonstration projects.
- Contract with an organization that will plan the infrastructure needs of the demonstration area in preparation for the proposed demonstration projects.
- Coordinate with Federal, regional, and state authorities and commercial firms to identify associated rights-of-way required for transmission, transportation, other infrastructure needs, or civil engineering works.
- In coordination with the BLM, establish an authorization process for projects to be sited in the demonstration area that complements the BLM right-of-way approval process for solar energy development on BLM-administered public lands. Consideration will be given to the requirements for plans of development, duration of the authorization, processing fees, rental rates, best management practices, bonding, mitigation of environmental impacts, and such other

requirements as the Participants deem appropriate and consistent with applicable laws and policies.

- Coordinate with tribal entities, State Historic Preservation officers, and cooperating agencies, as appropriate.
- Provide a list of contacts and coordinate with DOE state and regional offices and other management units to assist in making these contacts available.

c. Department of the Interior

The DOI will assist the DOE in this endeavor and will furnish an assistant BLM project manager who will support the DOE project manager in directing and facilitating activities required to successfully implement the demonstration of advanced solar technologies in the demonstration area. Specifically, the DOI intends to:

- Provide information regarding the status of existing BLM resource management plans and adjacent lands and associated NEPA documents in order to assist in the identification of land that could be used for the demonstration area.
- Provide appropriate staff support throughout the site selection and administrative withdrawal or other land status adjustment process.
- As necessary and authorized, work in coordination with the DOE in an effort to make any land status adjustments (including, but not limited to, administrative withdrawal(s) or withdrawal modification(s)) necessary to provide the DOE with the appropriate level of administrative authority over the solar demonstration area.
- In coordination with the DOE, ensure that the appropriate environmental reviews and analyses are completed for any land status adjustments and any associated rights-of-way, ancillary facilities, or utility corridors located on BLM-managed lands necessary to support the demonstration area.
- As necessary, and in accordance with the BLM's planning regulations or other processes, consider the incorporation of the identified demonstration area and any associated electricity transmission corridors into the relevant BLM resource management plans.
- Assist the DOE in establishing an authorization process that complements the BLM right-of-way approval process for solar energy development on BLMadministered public lands. Consideration will be given to the requirements for plans of development, duration of the authorization, processing fees, rental rates, best management practices, bonding, and such other requirements as the Participants deem appropriate and consistent with applicable laws and policies.

• Assist the DOE in coordination with tribal entities, State Historic Preservation Officers, and cooperating agencies, as appropriate.

V. Target Milestones and Dates

The Participants agree to work toward completion of the following milestones by the dates indicated:

Identify suitable demonstration area or areas: July 2010 Initiate process to make lands in area or areas available to DOE for demonstration projects: July 2010 Initiate NEPA review for DOE demonstration activity within identified land area: July 2010 Secure land control for demonstration area or areas: August 2010 Begin design of demonstration projects. Make preliminary determinations concerning number, size, and technology for demonstration projects: September 2010 Complete all necessary environmental reviews and analyses and, if necessary, issue appropriate decision document: June 2011 Award land use authorizations to qualified demonstration projects: July 2011 Begin site preparation and construction of shared infrastructure: July 2011 Begin construction of demonstration projects: September 2011

VI. SCOPE OF THE MOU

This Agreement is neither a fiscal nor a funds obligation document. Nothing in this Agreement authorizes or is intended to obligate the Participants to expend, exchange, or reimburse funds, services, or transfer or receive anything of value.

This MOU may be modified or amended upon written request of either Participant and the subsequent written concurrence of the other Participant.

All agreements herein are subject to, and will be carried out in compliance with, all applicable laws, regulations, and other legal requirements.

This MOU neither expands nor is in derogation of those powers and authorities vested in the Participants by applicable law, statutes, or regulations.

This MOU in no way restricts either of the Participants from participating in any activity with other public or private agencies, organizations, or individuals.

Participation in this MOU may be terminated sixty (60) days after providing written notice of such termination to the other Participant.

This MOU is strictly for internal management purposes for each of the Participants. It is not legally enforceable, and will not be construed to create any legal obligation on the part of either Participant. This Agreement will not be construed to provide a private right or cause of action for or by any person or entity.

VII. DISCLOSURE OF INFORMATION

Information exchanged pursuant to this MOU that is responsive to a valid request under the Freedom of Information Act (FOIA), 5 U.S.C. 552, will be returned to the originating Agency for a determination regarding release.

VIII. AUTHORITIES

The DOE enters into this MOU under the authority of Section 646 of the Department of Energy Organization Act (Pub. L. 95-91, as amended; 42 U.S.C. § 7256). The DOI enters into this MOU under the authority of the Federal Land Policy and Management Act, (Pub. L. 94-579, 43 U.S.C. § 1701 et seq.).

IX. PRINCIPAL CONTACTS

Each Participant hereby designates the initial principal contacts for the Participant. These contacts may be changed at the Agency's discretion upon notice to the other Participant. The following are the initial principal contacts for each Participant:

Department of Energy: John Lushetsky

john.lushetsky@ee.doe.gov 202-287-1685

Department of the Interior: Ray Brady

ray brady@blm.gov 202-912-7312

X. DATE EFFECTIVE

This MOU will take effect on the date of the last approving signature.

| ACCEPTANCE FOR THE DEPARTMENT OF ENERGY: | |
|--|-------|
| By: | Date: |
| Steven Chu Secretary of Energy | |

ACCEPTANCE FOR THE DEPARTMENT OF THE INTERIOR: By: _____ Date: _____ Ken Salazar Secretary of the Interior